Secretary of State for India in Council and to municipal security-holders, respectively, on account of each debt or loan, if any, at the time still repayable by the corporation.

(*2*) The Commissioner shall also cause the said account to be printed and a printed copy thereof be forwarded to the usual or last known local place of abode of each councillor.

CHAPTER VI.

Borrowing Powers.

Power to borrow from Government or other persons.

106. The corporation may from time to time borrow or re-borrow and take up at interest from the Secretary of State for India in Council, or, with the sanction of the Governor [a]General of India[a] in Council, from any other person, any sum necessary for the purpose of defraying any costs, charges or expenses incurred, or to be incurred by them in the execution of this Act, or for the purpose of discharging any loan contracted under this Act or any other loan or debt for repayment of which they are liable.

Provisions applicable to any new loan contracted with Government.

107. If any new loan shall be contracted by the corporation under this Act with the Secretary of State for India in Council, the same shall be subject as regards repayment and security, and in every other respect, to the same provisions as are hereinbefore contained in respect of the consolidated loan save only that the rate of interest, the period of repayment and the number and amount of the instalments shall, in the case of any such new loan, be fixed, under the orders of the Governor General of India in Council, by the Governor in Council.

Mortgage of taxes or immoveable property.

108. (*1*) The corporation may borrow or re-borrow any such sum as aforesaid from any person other than the Secretary of State for India in Council on the security of any immoveable property belonging to them or proposed to be acquired by them under this Act or of all the taxes or of any tax which they are authorized to levy for the purposes of this Act or of all or any of those securities.

(*2*) And for the purpose of securing the repayment of any sum so borrowed, with interest thereon, they may mortgage to the person by or on behalf of whom such sum is advanced any such immoveable property or tax.

Provisions as to exercise of borrowing powers.

109. The exercise of the powers of borrowing conferred by this Act shall be subject to the following provisions, namely :—

(*a*) money shall not be borrowed for the execution of any work other than a permanent work, including under this expression any work of which the cost ought, in the opinion of Government, to be spread over a term of years ;

[a.a] These words were inserted by Bom. Act IV of 1888, s. 2.

(*b*) the sum borrowed shall not at any time exceed, with the balances of all the outstanding loans and debts due by the corporation, in the whole double the rateable value of the premises in the city assessable, as hereinafter provided, to property taxes;

(*c*) the money may be borrowed for such time, not exceeding sixty years, as the corporation, with the sanction of [a]the Governor General of India in Council[a], determine in each case;

(*d*) the corporation shall either pay off the money so borrowed by equal annual instalments of principal, or of principal and interest, or they shall in every year set apart as a sinking-fund and accumulate in the way of compound interest, by investing the same in the purchase of public securities, such sum as will, with accumulations in the way of compound interest, be sufficient, after payment of all expenses, to pay off the moneys so borrowed within the period sanctioned;

(*e*) the corporation may at any time apply the whole or any part of a sinking-fund set apart under this section in or towards the discharge of the moneys for the repayment of which the fund has been established: Provided that they pay into the fund each time that interest would have been received by the corporation in respect of the sinking-fund or the part of the sinking-fund so applied, and accumulate until the whole of the moneys borrowed are discharged, a sum equivalent to the interest which would have been so received;

(*f*) the investment every year of any sum set apart as portion of the principal of a sinking-fund shall be made within fifteen days after the day on which the second half-yearly payment of interest is due by the corporation in respect of the loan for repayment of which such sinking-fund is established; and the re-investment of any sum received by the corporation on account of interest on moneys appertaining to a sinking-fund already invested, and the investment of any sum payable into the fund under clause (*e*) as the equivalent of interest which the corporation would have received, if the sinking-fund or a part thereof had not been applied in any manner authorized by the said clause, shall be made within one month from the day on which such interest is received or from the day on which such interest would have been received, as the case may be.

(*g*) where money is borrowed for the purpose of discharging a previous loan, the time for repayment of the money so borrowed shall not,

[a-a] These words were substituted for the original word by Bom. Act IV of 1888, *s.* 3.

unless with the sanction of Government, extend beyond the unexpired portion of the period for which the original loan was sanctioned, and shall in no case be extended beyond the period of sixty years from the date of the original loan.

Form of security.

110. (*1*) Every mortgage authorized to be made under this chapter shall be by debenture in the form contained in Schedule C, or in such other form as the corporation, with the consent of Government, shall from time to time determine.

(*2*) Every debenture issued under this Act shall be transferable by endorsement, and such transfers may be in the form of Schedule D, or to the like effect.

(*3*) The right to payment of the moneys secured by any of such debentures and to sue in respect thereof shall vest in the holder thereof for the time being, without any preference by reason of some of such debentures being prior in date to others.

CHAPTER VII.

Revenue and Expenditure.

The Municipal Fund.

Constitution of the municipal fund.

111. All moneys received by or on behalf of the corporation under the provisions of this Act or of any other enactment at the time in force, or under any contract,

all proceeds of the disposal of property by, or on behalf of, the corporation,

all rents accruing from any property of the corporation,

all moneys raised by any tax, levied for the purposes of this Act,

all fees and fines payable and levied under this Act or under any rule, regulation or bye-law in force thereunder,

all fees for licenses for public conveyances granted by the Police Commissioner under Bombay Act VI of 1863 [a] (*an Act for the regulation of public conveyances in the town, suburbs and harbour of Bombay*),

all fines levied by any Magistrate in respect of any offence against the provisions of Act, or of any regulation or bye-law made under this Act,

all moneys received by or on behalf of the corporation from Government or private individuals by way of grant or gift or deposit, and

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[a] Printed in Vo II of this Code, p. 52.